ALBANY LIBRARY BOARD
MEETING

Albany Library, 1247 Marin Avenue
December 1, 2010 7 P.M.

1.   **CALL TO ORDER** – L. Flanagan

2.   **APPROVAL OF MINUTES** – October 27, 2010 – E. Phalen

3.   **PUBLIC COMMENT**
      For persons desiring to address the Board on an item that is not on the agenda please note that each speaker is limited to three (3) minutes. The Brown Act limits the Board's ability to take and/or discuss items that are not on the agenda; therefore, such items are normally referred to staff for comment or to a future agenda.

4.   **REPORTS FROM THE CITY OF ALBANY:**
      Update on financial concerns – Verbal report - C. Adams
      City Council action on the Advisory Bodies recommendations – Verbal report – J. Lieberman

5.   **PRELIMINARY STUDY OF ALTERNATIVES, FEASIBILITY AND OPTIONS FOR LIBRARY SERVICE**
      A. Presentation by Ouye Mingram Consulting
      B. Comments by Assistant City Manager Judy Lieberman
      C. Board Discussion and Recommendations of Future Action – L. Flanagan

6.   **ANNOUNCEMENTS/COMMUNICATIONS**
      A. Albany Library Report – R. Davis
      B. Library Board Work Plan – L. Flanagan
      C. Library Board 2010 Calendar

7.   **FUTURE AGENDA ITEMS**
      No public comment will be taken on announcement of future agenda items.

8.   **ADJOURNMENT**

The Board packet is available for public inspection at the Albany Library. The agenda can be found on our web page at www.albanyca.org. Please note that if you provide your name and address when speaking before the Board it will become part of the official public record, which will be posted on the Internet.

Albany Library, 1249 Marin Avenue
October 27, 2010 7 P.M.

1. **CALL TO ORDER** – L. Flanagan

   Board Members Present:
   Leah Flanagan
   Sarah Whitmer
   Robert Lieber
   Rosalie Gonzales
   Alan Riffer
   Linda Yamamoto
   Karen Leeburg

   Alameda County Library Staff Present:
   Ronnie Davis, Albany Library Manager

   City of Albany Staff Present:
   Charles Adams, City of Albany Finance Director
   Judy Lieberman, City of Albany Assistant Administrator
   Eva Phalen, Recreation and Community Services

2. **APPROVAL OF MINUTES** – Minutes from July 28, 2010 meeting were approved unanimously.

3. **PUBLIC COMMENT**
   Jerry Holan presented her reasons to vote Yes on Measure N on November 2, 2010

4. **REPORTS FROM THE CITY OF ALBANY:**
   Update on financial concerns – Verbal report - C. Adams
   C. Adams handed out "Library Contract Comparison" to Board members. These numbers were gleaned from contracts that the County Library has with other cities (Union City, Newark, and Dublin). He concluded that there is no rational between the different contracts and no real patterns that he could find.
   -R. Lieber stated that Albany pays a <u>lot</u> more for their hours even though they are much smaller than the other cities.
   -A. Riffer asked what the fixed costs are and stated that Albany is owed another holiday because we didn't get credit for the Sunday before Labor Day.
   -L. Flanagan asked for an explanation of the discrepancy in costs for open versus closed days

   Status of Library Services Consulting Study for Albany Library – Verbal report - J. Lieberman
   Administrator Lieberman handed out a Library Report memorandum to the Board and reviewed her conclusions thus far. The report is still in progress.

   Ouye Mingram Consulting analyzed the financial impact of separating from the county. Their comparison of library costs was based on circulation and population.

   Options on the table:
   1) Private contractor, LLSI – they feel they could provide library services at our current operating costs
   2) Join a consortium – would require ~$425,000 annually

   In general, transitioning to an independent library is much like a divorce; it will take time (a few years?) and there are many financial issues to be resolved.

The issue of 'fairness' was discussed:
-There are many non-Albany residents that use the Albany library.
-Albany owns the building so is not paying rent.
-Is basing it on geographic taxes the right thing to do?
Administrator Lieberman stated that the report would address these issues.

Administrator Lieberman handed out articles about LLSI and the recent issues that have come up.

Final reports will be ready for distribution at December 1 meeting. Included will be complete findings by Ouye/Mingram along with recommendations and potential next steps.

5. **CITY OF ALBANY ADVISORY BODIES REPORT AND BOARD RECOMMENDATIONS** – L. Flanagan
    L. Flanagan handed out report. Edits and recommendations were discussed and approved. A. Riffer will record changes and give to L. Flanagan to submit final draft to Administrator Lieberman by November 15th for the November 17th meeting. Administrator Lieberman will send a copy of the final draft to the Board for their records.

6. **ANNOUNCEMENTS/COMMUNICATIONS**
    A. Albany Library Report – R. Davis
    R. Davis reported that there are many exciting things happening at the library.
    -They are making some rearrangements in order to make room for new media (books on CD, DVDs, CDs, etc)
    -*Albany Reads* was incredibly successful
    -*Transition Albany* is showing a chicken movie on October 31
    -Poetry reading is back
    -Preschool story time and sing-a-longs
    -They are looking to purchase a microfilm reader for the local history section as the current machine is broken
    -Book sale this weekend – please sign up for a 2 hr shift as they need help

    A. Riffer asked if there has been a difference in event attendance because of Patch. R. Davis stated that it was nearly impossible to tell but they are a great resource.

    B. Library Board Work Plan – L. Flanagan
    Nothing coming up

    C. Library Board 2010 Calendar
    New council will be sworn in late December. R. Lieber expects the transition to go smoothly regardless of whether there are new members or not.

7. **FUTURE AGENDA ITEMS**
    No public comments were taken on announcement of future agenda items.

8. **ADJOURNMENT**-meeting adjourned at 9:01pm

Albany Library Board
2010 Board related activities

February 6	Friends of the Albany Library 50 cents Book Sale
February 27	California Association of Library Trustees and Commissioners (CALTAC) Workshop – Berkeley Public Library
March 3	Albany Library Board Special Meeting
March 24	Albany Library Board Meeting – Meeting cancelled
March 27	Friends of the Albany Library Book Sale
April 5	Library Board presentation to the Albany City Council
April 11-17	National Library Week
April 28	Albany Library Board Special Meeting
May 15, 16	Friends of the Albany Library Annual Book Sale
May 26	Albany Library Board Meeting
July 28	Albany Library Board Meeting
September 12	Solano Stroll
September 25	Friends of the Albany Library Book Sale
October 6	Friends of the Albany Library Annual Meeting/Albany Library Board invited
October 27	Friends of the Albany Library Special Meeting
November 19, 20	Friends of the Albany Library Book Sale
December 1	Albany Library Board Special Meeting
January 26, 2011	Albany Library Board Meeting

ALAMEDA COUNTY LIBRARY

ALBANY LIBRARY BOARD WORK PLAN FOR 2010

Goals and Objectives	Time Line	Status
Goal 1: Support and maintain the highest quality of library service possible by participating in an advisory and advocacy capacity in public policy decisions affecting that service.		
A. Advise City Council of financing library hours & services through the Albany Library Services Acts of 1994 and 2006.	May 2010	
B. Advise the City Council/County Librarian/Alameda County Library Advisory Commission/Albany Library Manager on:		
• issues which relate to library service in Albany	Ongoing	
• actions, activities and demographic changes in the local community that affect library services and needs		
C. Make an annual presentation to the City Council during National Library Week	April 5	Flanagan
D. Track, study and provide advocacy for legislation to support library services.	Ongoing	Letters to Legislators

Albany Library Board Work Plan

Goal 2. Represent and promote the Albany Library of the Alameda County Library in the community.

A. Maintain a visible presence in the community by active participation in civic events

Albany Mission, Vision Workshop
Solano Stroll – Sept.12

Lieber
Riffer, Whitmer, Gonzales
Leeburg,

B. Maintain a positive working relationship with local educational institutions to respond to issues of mutual interest and concern.

Ongoing

C. Support and promote library events and programs sponsored by the Library, Friends of the Albany Library, and the Alameda County as well as other library-related activities

Ongoing
Book sale participation

Riffer, Whitmer, Gonzales

D. Increase awareness of library services among the general public, business, senior communities and community organizations.

Goal 3: Increase Commission effectiveness.

A. Participate in the CALTAC Workshop

February 27

Leeburg, Gonzales,
Yamamoto

B. Increase knowledge of other libraries through activities such as attendance at library conferences and programs, and visits to other libraries.

Ongoing

C. Review progress on Work Plan

Ongoing

D. Hear reports from Alameda County Library Advisory Commission meetings

Ongoing

On Albany Library
Board Agenda – Lieber

E. Continue learning about the Albany Library and the County Library through reports, demonstration, and/or orientations
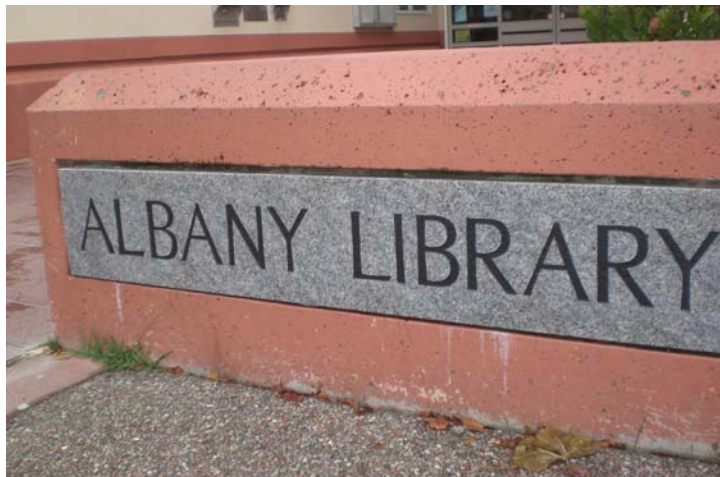
Ongoing

Information items

RD:tlp

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**Preliminary Study of Alternatives,
Feasibility and Options for Library Service**
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City of Albany

December 2010

Ouye Mingram Consulting LLC
Berkeley, California

Table of Contents

Preliminary Study of Alternatives, Feasibility and Options for Library Service

City of Albany

Purpose of Study

Ouye Mingram Consulting LLC (OMC) was engaged by the City of Albany to provide a preliminary assessment for potential alternatives to the current library services structure.

OMC was asked to:
- Define the current scope of library services being provided to Albany as part of the Alameda County Library System.
- Outline options for alternatives to the existing library services in Albany.
- Assess the general qualitative pros and cons of the alternatives as compared to the existing structure
- Provide a preliminary financial assessment to determine feasibility of the alternatives
- Work with City staff and with members of the Albany Library Board to develop a recommendation about the desirability of further analysis of any of the options.

OMC's process and research has included the following steps:

1) Reviewed the current scope of service.

2) Gathered information on revenues and expenditures under the current contract.

3) Sent 8 questionnaires and telephoned 4 local libraries, a for-profit library services firm and the Albany Unified School District for a vendor who might be interested in providing all or specific library services to Albany particularly through an integrated library system and in the acquisitions, cataloging and processing areas by a partnership, contract or associated membership. (Exhibit A)

4) Reviewed statistics for libraries in cities with populations under 25,000 from the California State Library Statistics 2010 report (Exhibit B).

5) Surveyed six like-sized communities who operate stand-alone, city run libraries for the purpose of gathering cost information on automation and technical services in like-sized cities with city run libraries. (Exhibit A)

6) Contacted library system coordinators, other county libraries, (the City of Milpitas which considered withdrawal from Santa Clara county in 2006), and the City of Pleasanton (which withdrew from Alameda County Library in 1997.) Obtained and reviewed the joint powers agreements for the counties of Santa Clara and San Mateo and a joint use agreement in Ventura County.

7) Contacted vendors for library services including Innovative Interfaces Inc. the current vendor of Alameda County's integrated library system that provides the public catalog, acquisitions records, patron registration and circulation records system.(Exhibit A)

OMC also met with Albany library staff, the Albany Library Board and City of Albany staff to gain stakeholders' perspectives on services and issues of concern.

Albany Library

The Albany Library is part of the Alameda County Library system, which serves the cities of Albany, Dublin, Fremont, Newark, Union City and the unincorporated areas of Castro Valley and San Lorenzo. The current 15,000 square foot library is in the City of Albany's community center located at 1247 Marin Avenue. It was opened in 1994 and was funded through a California State grant with additional funds contributed by the City of Albany and private donations. The library building is owned by the City of Albany, operated by the Alameda County Library and maintained by the City of Albany.

City of Albany residents passed two parcel tax measures, one in 1994 and one in 2006 to fund library services in the face of potential County cutbacks. Both parcel taxes are administered by the City of Albany. Additional funds to supplement library collections and programs come from an active Friends of the Library volunteer group.

The Albany Library serves the 18,000 residents of Albany, as well as the residents from the nearby communities of Berkeley, Oakland, Kensington, and El Cerrito. The library is open 41 hours per week. Of these 41 hours, the County provides 15.5 hours per week. The city uses parcel tax funds to contract for an additional 25.5 open hours per week, and to purchase an unspecified number of materials. The city and the branch do not have input into staffing levels or classifications. Albany Library circulates over 362,000 items per year. Over 11,000 people attended Albany Library programs in 2008-09.

The Albany Library Board was created in 1994 to advise the City Council on matters relating to the Albany branch of the Alameda County Library system. There are seven members, five appointed by City Council members, one recommended by Friends of the Albany Library, and one Councilmember who also serves on the Alameda County Library Commission.

OMC met with the Albany Library Board on August 18, 2010 and solicited comments and opinions about current service. (Exhibit C) OMC also met with Albany City staff and Albany Library staff. Based on these preliminary contacts, it appears that users are generally pleased with services provided by the Albany library. The County's Link Plus feature, which enables sharing collections between Alameda County libraries and Contra Costa County libraries is highly valued. Local programs, particularly for children, are a high priority. The Albany Library staff is praised for excellent service and knowledge of the community. On the other hand, the Library Board is concerned about the loss of a children's librarian, and is concerned that they do not fully understand how the parcel taxes provided by the City are being used by the County.

Options for Library Services

OMC is presenting 4 library service options for Albany, as follows:

1) Remain under the governance of the County Library;

2) Become a stand-alone independent City Library;

3) Become an independent City Library, but join a consortium or partner for back-of-house services; or

 4) Contract with a for-profit vendor, such as Library Systems & Services, Inc., (LSSI), that provides outsourced library services.

The current Alameda County budget, and estimated budgets for options 2 and 3 are provided in Exhibit D of this report. A proposal from LSSI is attached as Exhibit E.

Alameda County Library System

The Alameda County Library serves unincorporated areas and cities that are neither served by a city library nor within the boundaries of independent library districts. County libraries in California are funded in different ways. Alameda is one of twenty-four counties that imposed a separate property tax for libraries before Proposition 13 (1978). This property tax rate still generates revenues, all of which are dedicated to county library services. Because a substantial portion of their revenues are guaranteed and cannot be spent on other county activities, county dedicated property tax libraries enjoy a greater degree of financial independence and certainty. In addition, budgets can be increased by 2/3s voter-approved special taxes for library services.   *--from California Public Library Organization – April 2007 by California Public Library Organization Project Advisory Group.*

The Alameda County Library is governed by the County Board of Supervisors and managed by the County Librarian. An alternate model for county libraries, such as that used by San Mateo and Santa Clara Counties, is governance through a Joint Powers Agreement (JPA). The JPA Board can be comprised of either elected officials or designated city management representatives. In both cases, all employees are County employees and materials and equipment belong to the County with the exception of items purchased from individual City library taxes.

Revenues

The budget provided in Exhibit D shows the County's 2010/11 estimated budget for the Albany Public Library. There are three sources of revenue, as follows:

	2010/11
County Library Property Tax (Collected in Albany)	$430,513
City Contract (City of Albany Parcel Taxes)	680,186
Other County Library Funds	655,389
Total	**$1,766,088**

The County has recently cautioned that the "Other County Library Fund" revenues to Albany have been reduced and may continue to decrease in order to improve equity of disbursement to all County libraries. According to the County Library, the majority of this revenue source is from taxes in unincorporated areas. The Alameda County Library uses a values based budgeting model and does not use a direct return to source budget model. The Library budget is established at the discretion of the County Librarian and approved by the Board of Supervisors.

Budget

The largest single budgeted item for libraries is personnel. The County has budgeted $792,397 for 13.35 full-time equivalent (FTE) positions in 2010-11. The remainder of the budget expenditures is divided between Direct Costs and System Wide Support.

Under Direct Costs, the County budget indicates $287,657 for Services and Supplies. The County does not have a line item breakdown for this amount. It includes rent, lease, repair and maintenance of equipment, office supplies, transportation of goods and supplies, printing, postage, and communications costs.

Under System Wide Support, the two primary budget items are Technical Services (TS) and the Integrated Library System (ILS). The latter is the main part of the category "Information Technology Services."

Technical Services is the library unit that orders, catalogs and processes materials to make them shelf ready. Libraries generally refer to these functions as acquisitions, cataloging and processing. There are cost savings in providing Technical Services centrally because of economies of scale and ability to negotiate larger discounts with material vendors due to greater volume of purchases. The County provides these services centrally to all of their branches.

Integrated Library System (ILS) is an automated system with a server and software that provide the on-line catalog and support registration of users and circulation (the checking in and out of library materials). There is one server for all the Alameda County libraries, a cost savings for the individual libraries. The system also supports Technical Services ordering and cataloging activities, as well as library record keeping and report generation. The ILS system currently used by Alameda County is Innovative Interfaces Inc. (III). This contractor also provides Link Plus, allowing the library user to see all the collections of the Alameda County Library and the Contra Costa County Library on-line and directly request items.

Independent City Library

The City of Albany could withdraw from the Alameda County Library and establish an independent library operated by the City. The issues Albany would need to consider in establishing an independent library are withdrawal from the County, operating costs, providing automated and technical services, joining a state and area-wide cooperative system and one-time costs.

Withdrawal from County
A city cannot withdraw from a county library system to form its own municipal library before giving notice to the county board of supervisors before January 1 for the following calendar year, negotiating a division of property tax revenues, and publishing two newspaper notices of its intent to withdraw. Formation of an independent city library requires a city council vote at a public meeting. Libraries formed according to a city charter are governed according to the provisions of that charter. Governance structures may include a Library Advisory Board/Commission or a Board of Trustees. The Library would become a department of the city and report to the City Manager. Employees would become employees of the City. Maintenance of the facility and future capital costs would be the responsibility of the City.

Revenues
OMC estimated approximate revenues needed by Albany for a municipal library that would maintain the current level of services.   Primary sources of revenue are the property taxes ear-marked for Albany as part of the county property tax designated for library service prior to the 1978 Proposition 13; and the library parcel taxes already approved by 2/3 vote.

Additional revenue may come from the State wide transaction based reimbursement program which pays libraries who loan materials to non-residents. The high number of non Albany residents who borrow materials from the Albany Library (approximately 47%*), minus the items borrowed from other libraries by Albany residents could yield income for Albany based on a state wide formula that currently grants libraries a cash amount, $.98 per item, for the net imbalance of loans to items borrowed. This amount cannot be calculated at this time because the County's inter-library loan system is handled through Link Plus which designates Alameda County Library as the receiving library and does not break down the numbers by the branch libraries.

Other potential revenue may come from:

     1. Fines and Fees adopted by the City of Albany.

     2. The Public Library Fund, a state program based on population currently estimated at $6,000 for Albany.

     3. Reimbursements for telecommunications and internet technology from the federal E-Rate and the State of California Teleconnect fund. Reimbursements and discounts require an annual application by the library.

Estimated revenues and revenue sources for a City run library are:

County Library Property Tax (Collected in Albany)	$430,513
City Contract (City of Albany Parcel Taxes)	680,186
Public Library Funds (State)	6,000
Total	**$1,116,699**
Transaction Based Reimbursements, Fines and Fees, Reimbursements for technology	unknown
Fund-raising (FOA)	TBD

*Alameda County 2008-2009 Annual Statistics

Expenditures
The expenditures for an Independent City Library included in Exhibit D, Scenarios A and B, are based on the County's current budget for Albany. These scenarios include the addition of a Library Director and Secretary. There is also one additional FTE for Technical Services in Scenario A, and an additional .5 FTE for Technical Services in Scenario B. Salaries are budgeted using City of Albany fringe benefit rates, and included both lowest and highest salary steps. Supplies and services costs are also added for Technical Services and there is a line item for membership in BALIS, the Bay Area Library and Information System described below.

Some areas to review to determine if cost savings could be achieved are: rent and lease costs, extension support, bookmobile, mileage and senior services.

Integrated Library System and Technical Services
In addition to the major library costs for materials and staff are the significant expenses of an integrated library system (circulation, registration, catalog) and technical services (acquisitions cataloging and processing of materials). These services are now part of the contracted services provided by the Alameda County Library and located at the County headquarters.

Options for the provision of automated systems and technical services include:

1. Contract as an independent library for technical and integrated library automated services with Alameda County. The County will consider providing the integrated library automated services for a brief and defined period of time. However, the cost of these services will need to be negotiated upon withdrawal from the County Library system. The County will not provide Technical Services or Link Plus service. Cost for Link Plus is estimated at $25,000 plus delivery costs. Delivery cost for the City of Pleasanton is $13,000.
2. Provide technical services through additional Albany Library staff. This option is shown in both Independent Library Scenarios A and B.
3. Create partnerships with neighboring libraries to share costs. Options for partnerships are noted in Next Steps section of report.
4. Move to open source vs current proprietary automated systems. Current systems require buying hardware and software through one vendor. Open source options may be available in a few years
5. Purchase stand alone services for automation, a hosted service is preferred. This option is shown in Independent Library Scenario A.
6. Outsource some or all of the services.
7. Combination of several options

Integrated Library System
OMC surveyed six independent libraries regarding their integrated library system (ILS) and technical services. Four of the six libraries are part of a consortium for their ILS services. The costs for ILS services for three of the libraries range from $28,000 to $40,000 and do not include Link Plus.

OMC does not recommend an independent integrated library automation system for the Albany Library. An independent system that also provides access to Link Plus is only available through a proprietary vendor, Innovative Interfaces Inc., or through a separate system server at an additional cost. The start-up cost for an ILS stand alone Innovative Interfaces system with Link Plus is estimated to be $350,000 plus an annual operating cost of $78,000. This estimate is based on Pleasanton costs. OMC requested, but has not yet received an estimate from Innovative Interfaces, Inc.   Albany library users emphasized the high value of having access to materials throughout the county on a rotating basis. Continuation of the Link Plus service is highly desired.

The system for Albany would require hardware and software, upgrades, peripherals and maintenance. Technology changes require updates and/or replacements in as little as five years. Berkeley Public Library is considering acquiring a new system in the next two years and may be a possible vendor or partner in the future. Additional staff would be required to operate and maintain the system. MARINet, a consortium that serves Marin County libraries may also be open to additional libraries joining in one to two years.

Technical Services
All libraries surveyed are staffed in house for technical services. Libraries surveyed contract with book vendors for some services. A reason for outsourcing materials processing is that preprocessed materials are received shelf ready and entered into the public catalog. Reasons for not contracting are cost and potential delay in getting materials. Belvedere Tiburon spends approximately $12,000 for outsourced services. Other libraries did not have separate figures for outsourcing.

Public Access and Staff Computers
Alameda County will not provide Information Technology services to Albany as an independent library. Albany would have to provide 16 public access computers, peripherals and maintenance. Staff computers required (12-15) would depend on the extent of library technical services such as acquisition and cataloging.

State and Area-Wide Cooperative System
The Bay Area Library and Information System (BALIS) is a consortium of all the Alameda, Contra Costa and San Francisco County and City libraries except San Leandro.

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Membership in BALIS is required for universal borrowing, participation in state wide borrowing, some delivery services, reference services, newspaper and advanced searching , data base subscriptions at a discount , staff development, and a statewide service bureau for group buying. Membership allows for reimbursement of funds from the State program for cross-jurisdictional service. The fee for BALIS membership is estimated at $7,000 or less.

One-Time Costs
Should Albany decide to operate an independent City Library, there would be a number of one-time costs to withdraw from the County. Negotiations would be required to purchase existing materials, books and other equipment. Costs would be apportioned by Albany specific funds contributed to purchase these items and account for depreciation.

To get an estimated cost for withdrawal from the County, OMC used two ratios based on the amount the City of Pleasanton negotiated for collections and equipment upon its withdrawal from Alameda County. Based on the ratio of payment amount to the amount of Pleasanton's budget, an estimated cost for Albany would be $359,000. Based on a ratio of payment amount to collection size, the estimated cost would be $348,300. Pleasanton also paid the County for the costs incurred in staff reduction.

New public and staff computers would be required because current computers are "thin client" serviced centrally by the County. New computers with Windows 7 or XP and Office 2007 would cost approximately $1100 to $1560 each depending on brand. One-time cost for 15 computers would therefore be $16,500 to $23,400. Also, if Albany were to acquire an independent integrated library system, the estimated cost is $350,000.

One time costs beyond County purchases could include:

- o New systems and equipment
- o Recruitment, selection and training for new or additional staff
- o Additional space, work stations and shelving for Technical Services and the Integrated Library System
- o Potential unknown costs

For Profit Contractual Services
Library Systems & Services, LLC (LSSI), a for-profit vendor, provides outsourced library services. In California, LSSI currently operates the Riverside County Library System, Shasta County Libraries and the Moorpark Public Library in Ventura County. They recently signed a contract to provide services to Santa Clarita. They have submitted a preliminary proposal to operate the Albany Public Library for $989,154. The proposal includes 55 hours per week of public service (Albany currently has 41), continuing the Library's programs, and ensuring a minimum annual budget for library material of $100,000 per year, an increase of

20% over the current rate of $84,000 per year. They guarantee pricing for a period of five years, including a cost of living increase each year.

LSSI prefers to have the County Library provide an integrated library system and all technical services for a fee. However, Alameda County has indicated they do not wish to provide these services. LSSI can provide integrated automated services through their business relationship with Polaris and recommends outsourcing purchasing, cataloging and processing with vendors with whom they have negotiated contracts and volume discount prices. LSSI does not provide Link Plus at this time.

Albany will still be responsible for one-time costs that would apply in the case of an independent library.

Pros and Cons of Options Reviewed

1) Continue contract with Alameda County

Continuing the contract with Alameda County is the least costly alternative except for the LSSI proposal. It requires no additional workload for City staff or one time costs. This alternative retains additional funding from County resources which are currently $655,389.

The disadvantages to remaining a County branch include continued reduction of County funds, minimal input in staffing classification and staffing levels, and no input or approval in County Library budget development process.

OMC looked at California Library Statistics compiled by the California State Library for 8 stand alone libraries in cities with populations under 25,000 to determine whether the budget allotted to Albany was reasonable (Exhibit A). A number of statistics were compared including circulation, hours open, number of staff, demographics and budget to determine ranges for budget and staffing a library for the City of Albany.

The three libraries with populations under 25,000 most similar to Albany in circulation, a good measure of the use of the library and work load, were Coronado, Mill Valley and Belvedere Tiburon libraries. Their circulation, staffing and budget are:

City	Circulation	FTE	Budget
Albany	362,758	13.36	$1,766,088
Coronado	357,841	23.75	$2,365,088
Mill Valley	310,599	19.92	$1,794,247
Belvedere Tiburon	302,306	14.50	$1,704,536
Coronado is the only library that has an independent, stand alone integrated automation system and is not part of a consortium.			

Further comparison shows Circulation per Population, Population per FTE, Operating Expenditure per Population, Circulation per FTE and Operating Expenditure per Circulation. (Exhibit F)

	Albany	Coronado	Mill Valley	Belvedere Tiburon	Alameda County
Circ Per Population	21.49	15.54	22.08	27.24	11.2
Population Per FTE	1263.77	969.60	706.12	765.45	2801.14
Circ Per FTE	27153	15067	15592	20849	31381
Operating Exp. Per Pop.	104.60	102.70	127.56	153.58	43.94
Operating Exp. Per Cir.	4.87	6.61	5.78	5.64	3.92

Based on these statistics, OMC concludes that the County of Alameda library budget for the City of Albany is a reasonable budget compared to budgets of like-sized independent libraries. While staffing may appear low, it should be noted that the independent libraries have at least 2 FTE for Technical Services.

2) Independent City Library
The City would have control of budget, staffing and programs.   All services would be funded by the City. The disadvantage is that the funds available from property taxes and the special library parcel tax will not necessarily cover the expenses and additional revenue will likely be required.

Creation of an independent library will require initial administrative work for negotiations with the County, determining withdrawal costs, one time costs and establishing classifications and converting staff. The City would assume ongoing administrative costs in human resources, finance and FF and E (furnishing, fixtures and equipment). Renovations at the site for additional staff for information technology including ILS and technical services (acquisitions, cataloging, processing) would be required.

An independent ILS system would be costly to buy, operate and update and without Link Plus would only allow on-line borrowing from the Albany Library collection. Borrowing materials from other libraries would have to be done through a librarian.

3. Independent City Library within a Consortium
It is highly desirable from a financial and service provision view that an independent city library join a consortium for Technical Services and ILS functions. Financial savings for integrated library system functions including the public catalog, consolidated data base, acquisitions, patron registration and circulation are realized by sharing costs of servers, staff, maintenance and on-line subscriptions with other libraries. The public benefits by being able to have direct access to collections of all member libraries. Particularly for libraries the size of an independent Albany, sharing is a recommended and cost effective way to provide these services. An independent library in a consortium could also take

advantage of volume discounts for outsourcing purchase and processing of materials.

4. Contract with LSSI

A preliminary proposal has been submitted by LSSI, a for-profit operator of libraries. The initial operating costs are less than the other alternatives and within the funds Albany has available. The proposal increases the public hours from 41 to 55 hours per week. LSSI employees are usually not unionized, but are paid a prevailing wage. Negotiations would be required to develop a contract for services. Costs for withdrawal from the County Library and one-time costs would still apply. LSSI prefers using a consortium based vendor for the integrated automation system and usually outsources the purchasing and processing of materials. The company has negotiated contracts with vendors based on a high volume of work from many of their client libraries. The company is pursuing a company wide ILS where a hosted shared server is available to client libraries.

5) Best Alternative Includes Shared Services

The best alternative should include using technology to provide shared back of house services such as Technical Services and ILS. Sharing the cost of these services beyond geographic and political borders provides economies of scale. Shared services through systems and consortiums are the best model for cost and improved library services and are employed successfully by many independent city libraries. Should Albany choose to become an independent City-run library, partnerships or contracts with nearby libraries should continue to be pursued.

NEXT STEPS AND RECOMMENDATIONS

Following are several recommendations based on the options provided. The City may wish to pursue some of these actions simultaneously to test the viability of the alternatives.

1. Become an Independent City Library

Assess Capacity for Additional Funding
Assess community support for approval of additional funding through tax measures to fund an independent library or to reduce library services. Funds for one-time costs would need to be identified as well.

Create a Project Team
Establish a plan, time frame, create a team and additional expertise needed to implement withdrawal, and determine best alternative if the City Council wishes to detach from the current contract with the Alameda County Library.

Continue to Pursue Partnerships
Several libraries would consider discussion in the future for sharing specific costs such as integrated library systems, delivery, acquisitions, cataloging and processing of materials. The Richmond, Oakland and Berkeley Public Libraries and the Contra Costa County Library did not have the capacity or desire to provide services at this time. Albany would be eligible to become a part of the Contra Costa County system because its boundary is contiguous to Contra Costa County.

The Albany Unified School District was also contacted, and indicated a willingness to pursue discussions regarding their involvement in a shared Albany library system. OMC's research indicates there are several public/school shared systems, but none where the school district is the administrative lead.

The neighboring cities of Richmond, Berkeley, and Oakland, who have integrated library systems might consider partnerships or associate library relationships with Albany. Seven Marin County libraries jointly operate an integrated automation system as a joint powers authority which includes several independent libraries the size of Albany. They use Innovative Interfaces Inc. products and are open to discuss other libraries joining the MARINet consortium.

2. Remain an Alameda County Library

To obtain a voice in budgeting and operations, Albany could assess the interest of other cities that are contracting with Alameda County for services to move to a Joint Powers Authority with formula based budgeting.

3. Contract with LSSI

Meet with LSSI to obtain more information on contracting for their services, and determine the feasibility of this type of model for Albany.

Exhibit A – Research Contacts

Library Service Vendors Contacted To Provide Albany Library Services

Albany Unified School District
Marla Stephenson, Superintendent

Berkeley Public Library
Donna Corbeil, Director of Library Services

Contra Costa County
Ann Cain, County Librarian

LSSI
Bob Windrow

Oakland Public Library
Carmen Martinez, Director of Library Services

Richmond Public Library
Monique A. le Conge, Library Director

Independent Libraries Surveyed in Communities with Populations under 25,000

Belvedere/ Tiburon Public Library
Jennifer Baker, Library Director

Calabasas Public Library
Barbara Lockwood, Library Director

Coronado Public Library
Christian Esquiven, Library Director

Larkspur Public Library
Frances Gordon, Library Director

Pacific Grove Public Library
Lisa Magdalena, Senior Librarian

St. Helena Public Library
Jennifer Backer, Library Director

Vendors

Baker & Taylor
Amy Glaza

Innovative Interfaces
Marjorie McLaughlin
Georgia Fujikawa

MARINet
Deborah Moehrke

Background Information

Alameda County Library
Jean Hofacket, County Librarian
Ronnie Davis, Supervising Librarian II, Albany

Milpitas Public Library

Pacific Library Partnership
Linda Crowe, Executive Director

Pleasanton Public Library
Julie Farnsworth, Director

San Mateo County Library
Anne-Marie Despain, County Librarian

Santa Clara County Library
Gay Strand

Santa Clarita Library

Stockton-San Joaquin County Library

Ventura County Library

Exhibit B — Comparison of Statistics for Independent Libraries in Communities with under 25,000 Population

City	Belvedere Tiburon	Calabasas	Coronado	Larkspur	Mill Valley	Pacific Grove	San Anselmo	St.Helena	08-09 Albany	Less Non-Res.
Population	11,078	23,735	23,028	12,255	14,006	15,536	12,644	5,960	16,884	
Total Circulation	302,306	190,851	357,841	134,418	310,599	224,000	119,651	267,528	362,758	193,023
Annual Hours Open	3,030	2,644	3,206	2,700	3,072	1,608	1,778	2,858	2132	
Reference	32,305	35,940	50,832	22,227	43,427	12,308	7,002	4,879	24,580	
Public Access Computers	23	15	17	2	11	10	4	18		
Children's Circulation	85,563	86,949	115,867	49,796	113,290	59,285	32,216	39,680	185,121	
Children's Programs	223	163	386	94	479	261	32	179		
Staffing										
Librarian FTE	8	4.5	9	3	8.76	1.75	1.72	4.75	1.72	
Total FTE	14.5	13.5	23.75	7	19.92	7.25	3.7	10.4	13.36	
Budget										
Salaries and Benefits	$ 1,292,046	$ 583,964	$ 1,772,026	$592,322	$ 1,225,699	$ 486,515	$ 382,316	$ 771,013		
Library Materials	157,210	179,271	250,708	68,699	158,161	69,188	51,447	155,873	84,122	
Other Operating	255,280	366,077	342,354	79,328	410,387	115,045	113,997	211,855		
Total Operating	$ 1,704,536	$ 1,129,312	$ 2,365,088	$740,349	$ 1,794,247	$ 670,748	$ 547,760	$ 1,138,741		
Capital Outlay	4,634	238,675			$ 260,913	$ 20,000		$ 148,161		
Grand Total Expenditures	$ 1,709,170	$ 1,367,987	$ 2,365,088	$740,349	$ 2,055,160	$ 690,748	$ 547,760	$ 1,286,902	$ 1,766,088	Plus Cty Util.
Minus Library Materials	$ 1,551,960	$ 1,188,716	$ 2,114,380	$671,650	$ 1,896,999	$ 621,560	$ 496,313	$ 1,131,029	$ 1,681,966	
Director's Salary	11,000	6008-7959	7301-10053	7,921	10,634	5547-7257*	9015-9195	8,517		
Volumes Added		4,121	6,647	2,909	5,906	401	2,756	5,664		
Titles Added	6,863	4,029	5,742	2,585	5,377	361	2,600	4,996		
Book Volumes Held	56,113	39,114	157,927	49,696	105,879	94,285	45,941	65,972	75,735	
Total Outlet Square Feet	10,500	27,000	40,000	4,500	27,000	12,593	6,600	16,900	15220**	

*Chief of Division
**Basement 3,000sq.ft. Inc or Addtl?

Expenditures										
Electronic Materials	$ 19,250	18,444	18,058	7,165	12,284	998	39,134	30,141		
Print Materials	113,651	142,829	137,324	52,968	116,325	68,120	12,133	76,790		
Other Materials	24,309	18,000	95,326	8,566	29,552		11,832	48,942		
Literacy										

From: California Library Statistics 2010, Library Development Services Bureau, California State Library

Exhibit C

ALBANY LIBRARY BOARD MEETING
28 JULY 2010

Regular Board meeting of the Albany Library Board. Attended by Library staff, Albany city staff, consultants KG Ouye and Pauline Mingram and members of the public. The process of the consultant study was explained. There was discussion of who the client would be, City of Albany and/or Alameda County, the time table for the report and anticipation of reporting back to the Board at a meeting in November or December.

Ouye Mingram Consulting polled the Albany Board to determine stakeholders interests in the study. The Board and members of the public were also invited to send e mail questions and concerns to Judy Lieberman at the City of Albany

What do you like about the current services?
- Shared collections with other libraries
- On line capability to place holds and check availability of items
- Ability to use other libraries
- On-line services to pay fines, renew books , send e mail requests
- Personal service of staff.
- Knowledge of community by staff led by Ronnie Davis
- Long tenured staff
- Tailored programs : poetry, youth, job seekers
- Hours, particularly Sunday hours
- Library the center of the community
- Safe, comfortable, used by middle school kids
- Working with the Friends of the Library
- Renewal policies

What would you change?
- Hours, need longer public hours
- A larger building
- A full time children's librarian
- Fully staffed
- Automated sorting and materials handling
- Buffer fund, the intent of the parcel tax, to provide stability in funding and projection of staff needs

What are your concerns?
- Reduced personnel levels
- How are vacancies to be filled
- High priority for a children's librarian
- How are budget constraints impacting the contracted services
- Extra hours
- Are the parcel tax funds spent wisely
- Is Albany getting its money's worth

- Could Albany do better
- Do not understand exactly what Albany is getting or not getting from the County library
- Selection of the collection: local or centralized?
- Equity across Alameda County branches
- Lack of understanding of the public hours and the funding equation
- Letter of concern to City Council in June expresses Board's concerns
- Users from outside of Albany
- Heavy use requires funding
- Collaboration between the County and Albany. In tough times to what extent is collaboration needed for best results
- Opacity in budget and operations
- What procedures can improve communication. The will to improve exists
- Clarity , expectations and transparency particularly in application of tax supplement from parcel tax

Exhibit D

Albany Operating Budgets

County Management

Revenue

Property Tax	$ 430,513
Parcel Tax	680,186
County Funds	655,389
TOTAL	**$1,766,088**

Expenditures Personnel	FTE	Sal/Ben Top Step	Salary/Ben. (Inc. 4% Sav.)
Library Director			
Secretary			
Supervising Librarian II	1.00	10,587	$ 127,044
Librarian II	1.50	6,063	116,204
Library Asst. II	1.75	4,570	95,970
Circ. Supervisor	1.00	6,725	80,700
Library Clerk II	3.58	4,250	182,750
Library Lead Clerk	0.50	4,489	26,934
Page	3.25	3,143	122,577
Library Clerk	0.33	23.70	15,358
Page	0.22	17.13	7,400
Librarian	0.22	32.18	13,902
County Differential			3,558
Total	**13.35**		**$ 792,397**
Materials (Inc. Databases)			$ 84,122
Services and Supplies			287,657
Other (Cty Indirects/Fixed)			50,422
Total Direct Costs			1,214,598
Administration			200,610
(Based on % S&B)			
Branch Supr./Support			54,935
Material Sel./Trng			1,105
Technical Services			93,078
Information Technology Services			149,858
Extension Support			51,904
Grand Total			**$1,766,088**

Source: Alameda County Library
       Albany Library Fiscal Year 2010-11 Projected Costs
*Includes rent, lease, repair and maintenance of equipment, transportation of
books and supplies, mileage, training, dues, office supplies, printing, postage, communnications, .
IT support from County, insurance.

11/06/10

Albany Operating Budgets

<div align="center">

City Management
Scenario A
Fully independent City Library with Stand-Alone Integrated Automation System and
Technical Services. Eliminate County Administration, Branch Superv and Support
</div>

Revenue

Property Tax				$	430,513
Parcel Tax				$	680,186
County Funds					
Public Library Fund (State)				$	6,000
TOTAL				**$**	**1,116,699**

Expenditures **Personnel**	**FTE**	**Bottom** **Step**	**Total w** **Benefits**	**Top** **Step**	**Total w** **Benefits**		
Library Director	**1.00**	81,286	113,890	98,758	138,370		
Secretary	**1.00**	60,000	84,066	60,000	84,066		
Supervising Librarian II							
Librarian II	**2.00**	54,854	137,134	63,161	157,901		
Library Asst. II	1.75	47,600	104,124	56,531	123,661		
Circ. Supervisor	1.00	51,730	72,478	62,733	87,895		
Library Clerk II	**4.08**	39,312	200,491	44,265	225,752		
Library Lead Clerk	0.50	41,750	26,094	46,761	29,226		
Page	3.25	32,234	130,949	33,774	137,207		
Library Clerk	0.33	39,312	16,216	44,265	18,259		
Page	0.22	32,234	8,864	33,774	9,288		
Librarian	0.22	54,854	15,085	63,161	17,369		
Network Technician	**1.00**	61,298	76,622	73,091	91,364		
County Differential							
Total at Top Step	**16.35**		**$ 986,014**			**$**	**1,120,358**
Materials (Inc. Databases)						$	84,122
Services and Supplies							287,657
Other							
BALIS Membership							7,000
Administration							
(Based on % S&B)							
BJr. Supr./Support							
Material Sel./Trng							1,105
Technical Services							10,000
Technology Services (ILS)							40,000
Link Plus							25,000
Delivery							13,000
Extension Support							51,904
Grand Total						**$**	**1,640,146**
Revenue Minus Expenditures						$	(523,447)

Source: County of Alameda Salary Chart, City Fringe Benefit Rates

11/06/10

Albany Operating Budgets

City Management
Scenario B
Join Consortium or partner for Integrated Library System, City provides Technical Services.
Eliminate County Administration, Branch Superv and Support

Revenue

Property Tax				$	430,513
Parcel Tax				$	680,186
County Funds					
Public Library Fund (State)				$	6,000
TOTAL				**$**	**1,116,699**

Expenditures Personnel	FTE	Bottom Step	Total w Benefits	Top Step	Total w Benefits		
Library Director	**1.00**	81,286	113,890	98,758	138,370		
Secretary	**1.00**	60,000	84,066	60,000	84,066		
Supervising Librarian II				-			
Librarian II	**2.00**	54,854	137,134	63,161	157,901		
Library Asst. II	1.75	47,600	104,124	56,531	123,661		
Circ. Supervisor	1.00	51,730	72,478	62,733	87,895		
Library Clerk II	**4.08**	39,312	200,491	44,265	225,752		
Library Lead Clerk	0.50	41,750	26,094	46,761	29,226		
Page	3.25	32,234	130,949	33,774	137,207		
Library Clerk	0.33	39,312	16,216	44,265	18,259		
Page	0.22	32,234	8,864	33,774	9,288		
Librarian	0.22	54,854	15,085	63,161	17,369		
Network Technician	**0.50**	61,298	38,311	73,091	45,682		
County Differential							
Total at Top Step	**15.85**		**$ 947,703**			**$**	**1,074,676**
Materials (Inc. Databases)						$	84,122
Services and Supplies							287,657
Other							
BALIS							7,000
Administration (Based on % S&B)							
BJr. Supr./Support							
Material Sel./Trng							1,105
Technical Services							10,000
Technology Services (ILS)							40,000
Link Plus							25,000
Delivery							13,000
Extension Support							51,904
Grand Total						**$**	**1,594,464**
Revenue Minus Expenditures						$	(477,765)

Source: County of Alameda Salary Chart, City Fringe Benefit Rates

11/06/10

Exhibit E

LIBRARY SYSTEMS
& SERVICES, LLC

*Partnering with Communities
to Build Better Libraries*

August 30, 2010

Kathleen Ouye
Pauline Mingram
Ouye Mingram Consulting LLC
1360 Ada Street
Berkeley, CA 94702

Dear Ms. Ouye and Ms. Mingram:

LSSI welcomes the opportunity to offer the City of Albany and its residents a cost-effective alternative for the provision of library services. This letter proposal describes how LSSI can help the City of Albany maintain excellent library services while saving up to 44% over the County's current budget - a savings of more than 11% of the estimated available City revenues. This will generate a surplus of $100,000 to $125,000 which can be used by the City of Albany to enhance library services or technology, or to build a surplus rainy day fund.

LSSI proposes to provide all of the day-to-day operations of the Library, working closely with the City and any City-designated contacts. LSSI has a strong corporate commitment to providing an outstanding level of customer service, and will provide training tools and feedback mechanisms to make this a reality.

LSSI will operate the Albany Public Library for 55 hours per week. LSSI will continue the Library's many programs, and will ensure a minimum annual budget for library materials of $100,000 per year, an increase of 20% over the current rate of $84,000 per year. We will guarantee our proposed pricing for a period of five years, with only a cost of living increase each year.

Year 1 Total Budget

Labor, Benefits & G&A	$ 557,502
Operating Costs	$ 238,000
Administrative Services	$ 88,389
Materials	$ 105,263
Total	$ 989,154

Budget for Option Years 2 - 5

Year 2	Year 3	Year 4	Year 5
$1,003,991	$1,019,051	$1,034,337	$1,049,852

LSSI is the leader in the provision of outsourced library services. We partner with communities of all sizes, from the City of Red Oak, Texas with a population of 10,000, to Riverside County, California with nearly two million residents. LSSI's corporate philosophy is to work as a team with our customers, adding our expertise to the expertise of the local authorities,

community library groups, and local library staff members to ensure the best possible service levels are achieved. We can achieve operational efficiencies because for nearly 30 years, LSSI's sole business has been providing innovative services and products to libraries.

In California, LSSI currently operates the Riverside County Library System, Shasta County Libraries, and the Moorpark Public Library in Ventura County. One of our outstanding accomplishments in California was the creation of the Riverside/San Bernardino/Inyo County Inland Library Network. LSSI provided the technical knowledge and staff to combine the bibliographic databases for these three large counties; reconcile differing library policies for overdues, fines, fees, and reserves in each county; arrange daily inter-county delivery; and negotiate with system vendors to provide the best system with built-in redundant fail-safe reliability. The system has operated flawlessly since 2005, providing services to an area of nearly 40,000 square miles. Sharing the costs for a combined ILS (integrated library system) has provided substantial cost savings to all three counties, and allowed them to improve services by sharing nearly 3 million library items.

On August 24, 2010 the City Council members of the City of Santa Clarita voted 4-1 to withdraw their three city libraries from the Los Angeles County Library System, and to contract with LSSI to operate these libraries for the City. Contract operations will begin on July 1, 2011.

The Albany Library currently contracts with Alameda County for the use of the Innovative Interfaces III system for library automation. LSSI has worked extensively with the III system in other library locations. LSSI is currently working with several vendors to select a corporate-wide automation system, which we will offer as a replacement system to all LSSI client libraries, as their systems age and need replacement.

LSSI is not only focused on cost savings; we also emphasize outstanding customer service and tailor library services to the reading and information needs of each community we serve. We don't believe in a one-size-fits-all approach; each LSSI-operated library is carefully operated to provide the services and resources needed by the residents using the library. Most LSSI-operated libraries have completed community-wide strategic planning; this year, in the Shasta County Libraries and the Jackson County Library Service in Oregon, LSSI facilitated strategic planning using the Public Library Association's "Planning for Results" model. The planning sessions, led by senior LSSI management staff, involve community members and library stakeholders in a structured process to identify their priorities for the libraries, and result in a written document outlining key library service priorities and the goals and objectives to make those priorities a reality.

Developing library programs which are relevant to the reading and information needs of the community and that appeal to all age groups is also critical to successful library operations. Public libraries have shifted from being book warehouses to becoming destinations for citizens to learn, be entertained, and participate in social activities. Today's libraries compete with theaters, museums, and malls as a place to spend leisure time. By hosting exciting and informative programs, libraries can bring users into the library, and then show them the other library services and resources available there. Thoughtfully developed programming – especially for children and teens – helps to establish the library as a partner in their intellectual development, ensures their success in school and later life, and builds the long-term viability of the public library.

LSSI creates programming for adults, teens, children, the rurally isolated, and those in need of literacy and English-language instruction. In Riverside County, LSSI's staff provides daily programming to all of these groups, including a robust countywide literacy and ESL program. (The programs offered in Riverside County can be seen on the RCLS online calendar at www.rivlib.net). Among these programs is a Latino outreach program called "***Leer Es Triunfar*** –

Reading is Succeeding," that has brought thousands of new residents into the library since 2003. In 2005, this program won the prestigious John Cotton Dana Award for library public relations campaigns from the American Library Association (ALA). LSSI's Riverside staff has also taken a lead role in promoting Día de los Niños/Día de los Libros (Day of the Child/Day of the Book), an annual celebration of books and reading. LSSI's Riverside staff won LSTA grant funding from the California State Library to plan a statewide event that resulted in the adoption of Día de los Niños/Día de los Libros as a project of the California State Library. The Riverside County Library won the Raúl and Estela Mora Award from Reforma in 2008 for its work in promoting Día in Riverside County and in California.

LSSI's assets include a talented and motivated staff of MLS-degreed librarians, HR specialists, and IT and network administrators. More than 90 professional librarians work for LSSI as owners/officers, headquarters staff, library managers at individual sites, and library staff members. LSSI's Senior Staff is a valuable resource to our client libraries; this group is composed of experienced professional librarians located in LSSI-operated libraries nationwide. Each LSSI-operated library system includes at least one LSSI Senior Staff member. These employees form a corporate network of library expertise, strengthened through annual Senior Staff meetings at LSSI Day, which coincides with ALA's annual conferences so that these valuable staff members can attend workshops and industry meetings for further professional development. The group currently has 40+ members; LSSI pays for ALA membership for all members of the group, who also attend the ALA Conference. The experience gained in day-to-day library management in 63 different libraries provides a foundation of knowledge that is available to all of LSSI's clients.

LSSI's success in operating sixty-three library sites nationwide stems from the combined experience and skill sets of our staff at all levels. We offer a library operations infrastructure built on the talents and commitment of LSSI's Management Team, which brings specialized expertise to each LSSI Library, at no charge to individual contracts. The staffing for each LSSI-administered library system varies depending on local circumstances. In Albany, LSSI will hire an LSSI library manager, who will be a professional librarian. This library manager will develop a team of well-trained staff members; oversee the work of this staff; interface with the City's contact person; collect and report usage statistics to the City and to LSSI; and maintain a full staffing complement. LSSI will also designate a back-up person, who will be responsible for these tasks in the absence of the library manager.

I would like to emphasize that under LSSI's administration, the City of Albany will be fully in charge of all aspects of the Library's policies, will continue to own all library assets, and will receive any revenues generated by the library's operations (fines, fees, etc.). LSSI would very much like to partner with the City of Albany to provide on-going, fiscally sound library services. If you have any questions about our services, or would like additional information, please call me at 301/540-5100, ext. 233. My staff and I look forward to working with the City of Albany.

Cordially,

Frank A. Pezzanite
President/CEO

Pros and Cons of Alternatives

	Remain a County Library	Independent City Library Stand-Alone	Independent City Library With Consortium	Contract with LSSI
Annual Operating Budget	$1,766,088	$1,640,146	$1,594,464	$989,154
One Time Costs	None	Purchase Collection and Equipment from Alameda County.Estimate $358,000, plus costs for staff reduction. New computers, estimate $23,400 Integrated Library System, estimate $350,000 Other equipment, staff recruitment and training Additional space, work stations, shelving for Technical Services and Integrated Library System	Purchase Collection and Equipment from Alameda County.Estimate $358,000, plus costs for staff reduction. New computers, estimate $23,400 Integrated Library System, estimate $350,000 Other equipment, staff recruitment and training Consortium initial fee. Additional space, work stations, shelving for Technical Services	Purchase Collection and Equipment from Alameda County.Estimate $358,000, plus costs for staff reduction. New computers, estimate $23,400 New equipment, staff recruitment and training Additional space, work stations, shelving for Technical Services
Pros	Requires no additional workload for City staff or additional one-time costs Retains additional funding from County resources. Currently $655,389	City has control of budget, staffing and programs.	City has control of budget, staffing and programs.	Operating cost is less. Albany can fund with current available revenues
Cons	City contracts for additional specified hours, 25.5 per week, and unspecified materials, but has no input in staffing classification or staffing levels. (County provides 15.5 hours/week.) City has no input in County Library Budget development or approval. Funding from other County funds may continue to be reduced	City must seek additional revenue. Will require initial administrative workload for negotiations with County for one-time costs, withdrawing from County and establishing classifications and converting staff. City must assume ongoing administrative costs in human resources and finance departments and cost of insurance. May require renovation of space for Tech Services and Integrated Library System	City must seek additional revenue. Will require initial administrative workload for negotiations with County for one-time costs, withdrawing from County and establishing classifications and converting staff. City must assume ongoing administrative costs in human resources and finance departments and cost of insurance. May require renovation of space for Tech Services	Will work closely with City, but City does not have control. Have to negotiate contract with LSSI. Employees are not in union, but are paid prevailing wage.